

colonisation which is carried on by the United States of America. The conclusion deduced by Sir G. Gipps from his argument was, that those who had previously engaged in the acquisition of lands from the Natives in New Zealand had no rights of their own to such acquisitions, but that whatever the Crown might accord to them would be pure concession; and from this conclusion, notwithstanding the arguments which have since been advanced against it, I see no reason for dissenting.

But, while the principle was so distinctly laid down from the first, there was no wish to deal severely with those who had made *bonâ fide* purchases from the Natives; and it was announced, in the same Proclamation which declared the paramount rights of Her Majesty, that means would be taken to investigate the claims of the owners of any lands "acquired on equitable conditions, and not in extent or otherwise prejudicial to the present or prospective interests of the community."

A Bill was passed accordingly by the Governor and Council of New South Wales—within whose province it then was to legislate for New Zealand. It provided for the appointment of Commissioners to hear and report upon claims; it determined at what rate the value of goods employed in barter should be estimated, and laid down a graduated scale of the prices at which land should be assigned to claimants, naming a much lower price to regulate the quantities allotted to those who had made purchases at early periods than to those who had bought when the islands had acquired increased value and security, or might be supposed likely immediately to pass under the sovereignty of Great Britain.

The details of that measure cannot but be considered as very favourable to the claimants. The rate at which the value of their goods was to be estimated was no less than three times the selling price at Sydney. The assumed price of land was to be not more than 6d. an acre for all purchases from the 1st January, 1815, to the end of 1824, and then ascending very gradually it was not until after the commencement of 1839 that it was to be taken at from 4s. to 8s. an acre. Such being the assumed prices up to 1839, inclusive, their moderation will be more apparent when it is borne in mind that in the course of the very next year the actual price of land for fresh purchasers became 20s. an acre.

But, while thus indulgent to the claimants in all minor particulars, the foresight of the New South Wales Government provided one important check against abuses arising out of claims to an extent which might be seriously prejudicial to the prospective interests of the colony. A maximum was fixed of 2,560 acres (4 square miles), beyond which the Commissioners were not to recommend any grant of land.

In determining the course to be taken as to allowing or disallowing this ordinance I have considered the subject with reference, first, to the instructions on which you conceive yourself to be acting; secondly, to its effects upon the interests of the colony at large; and, thirdly, to its consequences as regards individuals; and I proceed to each of these in their order.

Secondly, to the probable effect of the change upon the general interests of the colony at large.

To these it appears obviously highly unfavourable on that most important point, the extent of land to which it permits titles to be established.

It is not my intention here to discuss the evils attendant on the accumulation of land in new colonies in the hands of persons without capital or the means of introducing labour. I consider them to have been sufficiently established by experience to entitle me to assume them as admitted. By the ordinance of the 9th June, 1841, which has been assented to by Her Majesty, this evil is guarded against by the limitation to 2,560 acres, beyond which no grant can be claimed.

This restriction the ordinance now under consideration abandons, and, placing no limit on the size of the grant which each claimant may acquire, might prove the means of exposing New Zealand to those evils which have resulted in other colonies from throwing large and unmanageable grants into the hands of individuals unable profitably to use them. What the extent of this danger may be in the present instance it is impossible, from the imperfect state of my information, to calculate; but when I see it officially reported that nearly nine hundred claims had already been lodged, involving demands for not less than twenty million acres, I cannot think that it would be prudent in Her Majesty's Government to dispense with the direct and wholesome check upon the undue acquisition of land which the former ordinances had imposed, and which, from the earliest Proclamations, the settlers must have been led to expect.

I feel therefore no doubt, as regards the interests of the colony at large, that they will be best consulted by reverting to the ordinance of June, 1841. Feeling, however, the consideration which is due also to the interests of individuals, I will examine,—

Thirdly, the provisions of this ordinance as affecting claimants themselves.

To many of them, and those, too, the persons most deserving of consideration—viz., a large body of the early settlers—judging by their own representations, it appears probable that its operation would prove most injurious. The principle of the ordinance of June, 1841, was to value the land, to those who had acquired it in times of insecurity, and expended labour and capital on its improvement, at a low rate, and in so doing proceeded upon a perfectly just principle. That principle the ordinance of February, 1842, abandons, and, placing all parties upon an equality, fixes a uniform price of 5s. upon land whenever and under whatever circumstances it had been acquired. To the justice of this I cannot assent. The price of 5s. per acre would be too high for those to whom by the graduated scale it would have been valued at 6d., and too low for those to whom it would have been valued at 8s.

Under such circumstances, I need hardly observe that it became my duty to advise Her Majesty to disallow, and Her Majesty is accordingly pleased hereby to disallow, this ordinance.

It follows that you will be guided in future by the provisions of the enactment of 9th June, 1841, which will, of course, be revived by the disallowance of the Act which repealed it.

I have, &c.,
STANLEY.